

## Integrated Care Board

<b>Date of meeting</b>	17 July 2024
<b>Title of paper</b>	System Recovery and Transformation
<b>Presented by</b>	Kevin Lavery, Chief Executive Officer
<b>Author</b>	Terry Whalley, System Recovery & Transformation Programme Director
<b>Agenda item</b>	11
<b>Confidential</b>	No

Executive summary				
<p>Across the ICB and NHS Providers we need to deliver £531m of savings in 2024/25 to achieve our deficit plan of £175m as agreed with NHS England.</p> <p>The purpose of the paper is to provide the Integrated Care Board with an update on progress made by the System Recovery and Transformation Programme, including a summary position of the three main components that will deliver our agreed deficit plan: Trust Cost Improvement Plans (CIP), ICB Quality Innovation Productivity Prevention (QIPP) and the additional System Recovery projects necessary to mitigate risks and / or support Providers in their efforts to deliver their savings.</p> <p>The work done to reset and review System Recovery and Transformation Programmes will support Trusts' but the delivery of the associated projects remains the accountability of each individual organisation.</p>				
Recommendations				
The Integrated Care Board is asked to note this paper.				
Which Strategic Objective/s does the report relate to:				Tick
SO1	Improve quality, including safety, clinical outcomes, and patient experience			X
SO2	To equalise opportunities and clinical outcomes across the area			X
SO3	Make working in Lancashire and South Cumbria an attractive and desirable option for existing and potential employees			X
SO4	Meet financial targets and deliver improved productivity			X
SO5	Meet national and locally determined performance standards and targets			
SO6	To develop and implement ambitious, deliverable strategies			X
Implications				
	<b>Yes</b>	<b>No</b>	<b>N/A</b>	<b>Comments</b>
Associated risks	X			Detailed risk registers will be maintained by each programme in scope of recovery & transformation

Are associated risks detailed on the ICB Risk Register?	X			The scope of work will positively support mitigation of risks 019 (NOF ratings) and 008 System Financial Sustainability)
Financial Implications	X			The benefits delivered by the recovery & transformation programme are an essential contribution to our 3-year financial recovery plan

**Where paper has been discussed** (list other committees/forums that have discussed this paper)

Meeting	Date	Outcomes
System Recovery and Transformation Programme Board	June 2024	The content of this report was noted.

**Conflicts of interest associated with this report**

Not applicable

**Impact assessments**

	Yes	No	N/A	Comments
Quality impact assessment completed			X	Appropriate QIAs will be undertaken by programmes within recovery & transformation scope
Equality impact assessment completed			X	Appropriate EIAs will be undertaken by programmes within recovery & transformation scope
Data privacy impact assessment completed			X	There is no data privacy impacts associated with this paper

**Report authorised by:**

Sam Proffitt, ICB Deputy Chief Executive and Chief Finance Officer.

# Integrated Care Board – July 2024

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## System Recovery and Transformation

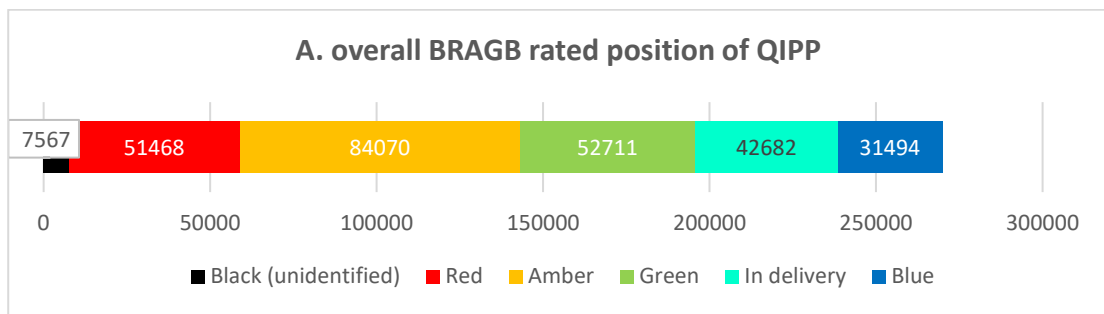
### 1. Executive Summary

- 1.1 The purpose of the paper is to provide the ICB Board with an update on progress made by the System Recovery and Transformation Programme, including a summary position of the three main components: Provider Cost Improvement Plans (CIP), ICB Quality, Innovation, Productivity and Prevention (QIPP) Plans and the System recovery projects.
- 1.2 The Integrated Care Board (ICB) has submitted a plan for 2024/25 that requires delivery of a large portfolio of Provider CIP, ICB QIPP Plans. Achieving this and supporting organisation to deliver against their plans is the focus of the Recovery and Transformation Programme.
- 1.3 Work is on-going to develop the many of the detailed plans with a System Recovery and Transformation Programme Board now established and meeting twice each month to oversee the development of these plans and the pace of execution / delivery expected.
- 1.4 This shapes the requirements through recovery and transformation enabling the system to:-
  - reduce waste and duplication,
  - improve quality and
  - transform services to ensure long terms clinical, operational and financial sustainability.

### 2 ICB QIPP Performance Summary

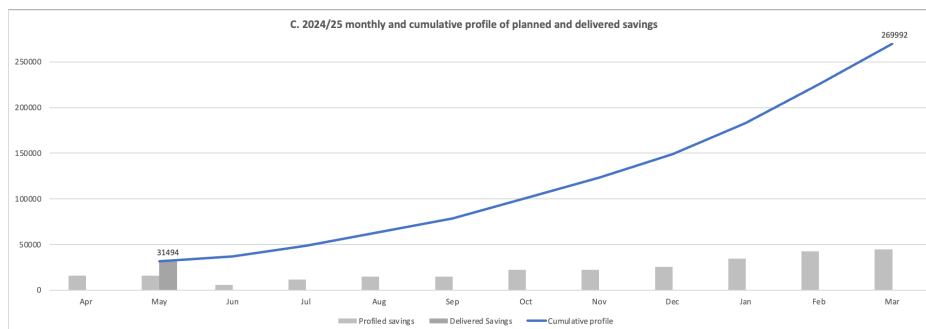
- 2.1 The overall QIPP target stands at £269m, an increase from the £262m previously reported to accommodate the additional stretch required to deliver a system agreed £175m deficit position.
- 2.2 As can be seen in **Figure 1** that £31.5m has been delivered (blue) in the month 2 position which is in line with the planned target. Additionally, £42.6m of schemes are now “in delivery”, which means the work has been done and the benefits will materialise each month. A further £52.7m of schemes are rated ‘Green’ with high confidence of delivery.
- 2.3 The level of red risk rated schemes has reduced to £51.5m because of work done during the first quarter to plan deliver. However, £84m of schemes still have a medium degree of risk in addition to £7.6m of plans not yet identified.
- 2.4 The level of risk in the ICB is primarily around review of contracts, demand for all age continuing care (AACC).

**Figure 1 – Overall Risk Rating of QIPP**



2.5 A QIPP oversight group is established to oversee progress of delivery within the ICB. The trajectory of delivery is monitored by this group, with risks and issues being dealt with to support mitigation of delivery risk and/or escalate where necessary. As shown in **Figure 2**, the trajectory for delivery scales up during the second half of the year, and the QIPP oversight Group provides visibility of progress to the Recovery and Transformation Programme Board. Themes for resolution are taken to ICB’s Business and Sustainability Group which is attended by the ICBs senior leaders. This includes measures to de-risk contract review work and oversight of the peer review work for AACC plans.

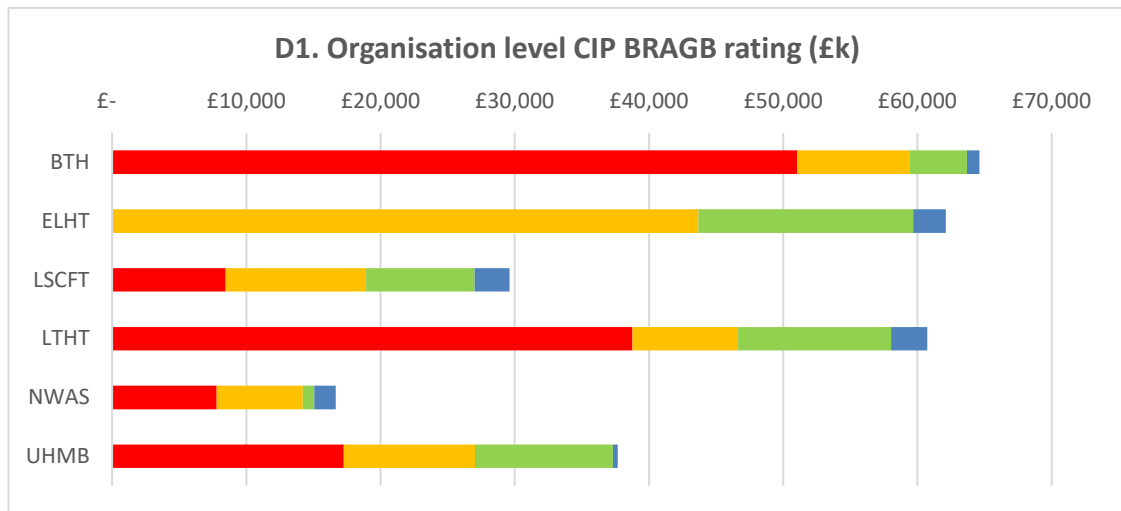
**Figure 2 – Profile of QIPP savings plans**



### 3 Trust CIP Performance Summary.

3.1 Trusts have identified £270m of CIP, of which almost half, £123m, remain a high risk. There are currently no unidentified schemes, but only £67m of schemes are fully defined. A risk profile of CIPS by Trust is Provided in **Table 1** and further detail, by Trust is provided in **Appendix 1**.

## Take 1 – Risk Profile of Provider CIPS



Red = High Risk, Amber = Medium Risk, Green = Low Risk, Blue = Delivered

- 3.2 As at month 2, Providers have delivered savings of £10.6m against a plan of £10.8m; a £0.2m adverse variance. Of the £10.8m delivered, £5.2m was recurrent and £5.4m non-recurrent. Work continues to ensure recurrent schemes which may have slipped are still fully delivered in year.
- 3.3 While the System Recovery and Transformation Programmes will support Trusts to deliver the £270m of CIP, mitigating some of the risk shown above, the accountability for mitigating risk and delivery remains with Providers.

## 4 Recovery and Transformation Schemes

- 4.1 The Recovery and Transformation Schemes are being run to deliver quality improvements for the benefit of the population we serve. There is a clear expectation that doing the right things will lead to better use of resources and support Providers in delivering their savings.
- 4.2 Following the review and reset, there are 3 major areas for System Recovery and Transformation Programmes: De-escalation of urgent and emergency care pressures, acute service configuration (including fragile service remediation) and corporate services review.
- 4.3 **De-escalation of Urgent and Emergency Care (UEC) Pressures:** A well-established UEC Collaborative Improvement Board (CIB), co-chaired by the ICB Chief Operating Officer and a Provider Chief Operating Officer. This has strong links to local UEC Delivery Boards (UECDB) that will drive the execution of the UEC Strategy. Each UECDB has been required to produce a UEC Improvement Plan with data/insight. This plan drives the initiatives which are prioritised and tackle the agree drivers of the challenges in the system. An initial draft of each UECDB plan was submitted on 14<sup>th</sup> June with a further submission on 28<sup>th</sup> June. A session will be held with UECDB Chairs/Place Leads week commencing 8<sup>th</sup> July to review the local priorities, plan maturity and the risks/barriers to delivery. At its core, the UEC Improvement Plans are

aimed at improving patient experience, the quality of care and performance. However, from the improvement work there is a clear expectation that it will enable the UEC escalation costs, such as corridor care, to be removed safely and support the delivery of each provider cost improvement plan. The accountability for releasing these costs will sit with each Provider. The ICB board will receive a further update on progress of these improvement plans and any further commissioning intentions at its next meeting in September 2024

- 4.4 **Acute Service Configuration.** This is a significant transformational initiative for how we configure acute services to meet population needs while making best use of resources. In addition this aims to remedy some of the causes of fragility in some of our vital services. There is a well-defined scope of work for wave 1 fragile service remediation (haematology, gastroenterology, orthodontics and stroke). This work is essential to help de-risk some of the challenges in the system. Wave 1 service reconfiguration (vascular, head and neck cancer and urology cancer) is also continuing. Each area has a case for change endorsed by the ICB's Clinical Advisory Group as well as having passed stage 1 of the NHS England assurance process. Additionally, work continues in defining the Acute Clinical Service Blueprint and delivery roadmap. Building on workshops held in March, May and June, further workshops will take place in July and early September with senior leaders from the ICB and acute trusts that will develop the Blueprint that best meets population needs and maximises the use of system assets. This will align with plans for the two new hospitals which are planned to be built by 2035.
- 4.5 **Corporate Services Review** – The creation of a 'single vision' for corporate services is a priority of the Provider Collaborative. Work on a new Target Operating Model for corporate services is now entering its final phase with Trust Boards considering the final proposals in July with a view to approving in August. This, when approved, will see Providers deliver these services through our "One LSC" approach. The leadership team for One LSC is in place along with our host trust for employment of staff. Following final approval, the Providers will begin consultation with our in-scope colleagues moving into One LSC later in the year. The creation of larger, more resilient teams will enable Providers to standardise processes and systems, reducing unwarranted variation and duplication. This will increase the resilience of teams and deliver more effective services operating at a lower, more efficient, and sustainable future cost base. It will also afford colleagues better opportunities for knowledge sharing and professional development. Being able to jointly manage vacancies across the system for these services offers the opportunity to work differently, reduce headcount over time, and improve redeployment opportunities. This will reduce the risk of potential compulsory redundancies in the future.

## 5 Conclusion

- 5.1 We have a good plan, with a governance and reporting arrangements in place to oversee delivery.
- 5.2 There remains a high level of risk within the plans which require leadership action across the system for Providers and the ICB, to mitigate fully. The risks will continue to be subject to formal review by the Finance and Performance Committee.

## **6 Recommendations**

- 6.1 The ICB Board is asked to note this update and agree to receive a further update at its next meeting on the mitigation of risks associated with delivery of the deficit plan.

**Sam Proffitt**

**3<sup>rd</sup> July 2024**